Saskatchewan
Agriculture
and Food

Farm & Food Report

Communications Branch, Walter Scott Building
3085 Albert Street, Regina, Canada, S4S 0B1

Saskatchewan

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2007 CROP PLANNING GUIDES NOW AVAILABLE

The 2007 editions of the Saskatchewan Agriculture and Food (SAF) Crop Planning Guides are available to producers through the Agriculture Knowledge Centre or the department's website.

The guides are designed to assist producers in planning their crop choices based on a number of variables.

"It's an annual publication designed to help producers calculate their own costs of production," said SAF Provincial Crop Economics Specialist Joe Novak. "If they don't have their own costs estimated, they can use the guides to do that."

According to Novak, the department compiles the guide's baseline numbers from a number of different data sources.

"The data comes from surveys done by SAF, Statistics Canada and Saskatchewan Crop Insurance, and from information obtained through discussions with farm input suppliers," said Novak.

The most important factor in using the guides is to individualize your plan to stay up to date on the latest input costs, says Novak.

"Producers need to continually update their own numbers, especially now as spring approaches. Fertilizer prices have been climbing and are now higher than what is listed in the guide, which was a blend of fall 2006 and spring 2007 price forecasts," he stated.

"It's important because fertilizer prices are highly volatile, and ultimately may impact on crop selection based on profitability."

Although there are guides for each of the three different soil zones, they do not specifically address local differences such as soil type and moisture. That is why it is so important for producers to plug in their own yield estimates for the various crops on their own farms.

Novak says that input costs and estimated prices are just part of the equation. "Crop planning has to look at diseases and crop rotation, chemical rotation and, finally, economics. So rotation may be as significant a factor in planning as the numbers themselves."

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In addition, farmers' local knowledge of typical yields is an important variable for use with the guides.

"Revenue varies greatly among different operations, so producers should not necessarily rely on the guide's yield estimates," said Novak. "Producers must also look at crop prices to see if the guide's estimates are applicable to their individual situations."

One important difference between the 2006 and 2007 crop planning guides is that producers will be working with more positive numbers this year.

"What a difference a year makes," said Novak. "The numbers for 2007 are a significant improvement over the previous couple of years."

Novak stresses that the guides are simply a template, and that producers must bring their own knowledge to bear, along with the very latest information they can get on costs, yields and price forecasts.

The 2007 Crop Planning Guides are available by calling the Agriculture Knowledge Centre at 1-866-457-2377, and online at www.agr.gov.sk.ca.

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AGRIVISION, ETHANOL AND ALAN GREGG ALL IN ONE EVENT

Saskatchewan Agrivision has put together an action-packed event for March 30 that has appeal on a number of fronts.

The day-long session includes the annual general meetings of both Saskatchewan Agrivision Corporation and the Saskatchewan Ethanol Development Council.

"We've done that for the past couple of years, because the ethanol council grew out of Agrivision," said Agrivision Executive Director Al Scholz. "It seemed to make sense that we would hold them jointly, because the president of Agrivision, Red Williams, is a co-chair of the ethanol council."

Scholz says that this is an important annual meeting for the ethanol council because of recent developments.

"The ethanol council has finished its first two-year mandate and they're moving on to a second mandate which will include a new president. They plan to announce the name of their new president, and a number of other initiatives, including incorporating the bio-diesel task force," he noted.

"They may be looking at a name change to reflect the evolution of bio-fuels."

Scholz expects to see the investors and partners that form the core of Agrivision in attendance for their meeting.

"There will be a reporting on last year's progress, as well as presentation and approval of next year's budget and the operational program that's been developed by the board of directors," he stated.

One of the benefits of collaborating on these meetings is to allow sponsorship of high-quality keynote speakers, according to Scholz. This year is no exception, as the lunch hour keynote speech will come from well-known Canadian public opinion researcher and political commentator Allan Gregg, the Chair of the Strategic Counsel, whose research touches on public policy, marketing and communications.

"Allan is going to talk about consumer trends in food and the environment," said Scholz. "We very much look forward to his unique perspective."

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The entire event will be held at the Hilton Garden Inn in Saskatoon, with the Saskatchewan Ethanol Development Council annual meeting scheduled for 9:30 to 11:30 a.m., the luncheon with Allan Gregg's keynote address at noon, and the Saskatchewan Agrivision annual meeting in the afternoon.

Both annual meetings are open to the public, as is the luncheon, which has an admission price of $30.

Further details on the event, including registration information, are available on the Agrivision website at www.agrivision.ca, or by phoning the organization at (306) 384-4491.

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CATTLE MARKETINGS PICK UP AFTER SLOW PERIOD

Across Saskatchewan, cattle are on the move. After months of lower trading volumes, a number of factors have combined to create a spike in movements.

Saskatchewan Agriculture and Food's Beef Economist Sandy Russell is reporting a significant increase in the number of feeder cattle coming to market in the past weeks.

The movement started in the second week of February, with 18,500 head being traded, compared to 8,400 the week before.

The strong numbers continued, with subsequent weeks seeing cattle trading volumes of 21,000 head and 25,000 head.

Russell says there are a number of factors driving the increase.

"Coming into these past weeks, we hadn't moved as many cattle as we traditionally see in the fall, or even in the early part of 2007. So it was overdue to have these larger numbers coming through," said Russell.

Russell says a big reason for the lower numbers was market prices.

"From about the first week of September to the end of the year, prices were on an almost continual decline. So that was sending signals to producers, who decided they just didn't want to market their cattle at the prices being offered. Prices were pretty steady in the first few weeks of the year and volumes were small, as is usually the case," explained Russell.

Then, in mid-February, prices started to rise and producers started to respond. "That is what started pulling cattle to town," said Russell.

But weather was also a key factor. "If it's minus 40, neither the handler nor the cattle want to move. When it is cold and storming, that affects the ability to move cattle to the market, but it also affects those who are buying the cattle," she stated.

"When the weather is good, more cattle will move."

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The larger volume may be a considerable increase, but is still well short of what the market can handle. Russell points out that, during the peak of the fall run, Saskatchewan auction markets typically handle more than 40,000 head a week.

But she says the bigger issue is the market impact of large volumes of cattle coming to town at the same time.

"Any time supply is great in a marketing situation, you do not want all the cattle coming to market at once. One must always consider the number of buyers on the market," she said. "An abundance of cattle for sale all at the same time can put downward pressure on price."

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PRODUCERS HELP THEMSELVES BY ANSWERING PHONE SURVEY

There is a survey underway with which farmers will want to assist because it will provide important information for their businesses.

The 2007 Saskatchewan Agriculture and Food (SAF) land lease rate survey is now underway.

The survey is done every two years, according to SAF Agricultural Economist Terry Bedard. "It surveys farmers about lease rates for farm land," said Bedard. "The results are used to provide rental rate guidelines to those looking at leasing land."

The survey is being conducted by the Arcas Group of Regina, a statistical research company. SAF wants all farmers to know that this is a legitimate, official survey, in case they happen to be among the respondents receiving a random call.

"We are looking only for people who have cash rental arrangements in place for either cultivated land or pasture land," said Bedard. "Crop share arrangements are much more difficult to measure in terms of establishing lease rates, so the survey does not deal with those."

The survey will be seeking answers to some pretty specific questions, such as: with whom is the rental agreement? Possible answers could be: family, neighbours, a financial institution or government.

In the case of cultivated crop land, farmers will be asked: How many acres are cultivated? What are the rental rates? How much are the taxes on the average quarter? Who pays the taxes?

The survey will also ask for information on leased pasture, such as: How many quarters are leased, and from whom? What portion of the land is native and what is improved? Is the pasture used to graze for cow-calf production or yearlings? How many head are being grazed, and what is the average size of animals within a given range? Again, farmers will be asked who is paying the taxes on the land. Are there capital improvements, such as dugouts or fencing, and is the landlord or lessee paying for them?

Bedard stresses that all information gathered by the survey is confidential.

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"We will be asking respondents for their RM number, so that the results can be regionalized, by crop district if possible," she noted. "The aggregate results are released on a province-wide and regional basis, but individual farmers' responses are never made public."

The survey is being conducted in a period overlapping March and early April, with results expected to be compiled and published sometime in May.

Survey respondents will have the option to provide an e-mail address so that results can be sent directly to them, but everyone will have access to the final report via the SAF website at www.agr.gov.sk.ca.

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